



LORI GLASGOW  
EXECUTIVE OFFICER

## COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • FAX (213) 620-0836

### MEMBERS OF THE BOARD

HILDA L. SOLIS

MARK RIDLEY-THOMAS

SHEILA KUEHL

DON KNABE

MICHAEL D. ANTONOVICH

July 19, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

14 July 19, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

**APPROVE THE RECOMMENDATION OF THE HEARING OFFICER  
REGARDING THE PETITION TO RESCIND THE SALE OF TAX-DEFAULTED PARCEL  
ASSESSOR IDENTIFICATION NUMBER (AIN) 4102-015-107  
6438 LAURELWOOD DRIVE, INGLEWOOD 90302  
(SECOND DISTRICT)  
(3 VOTES)**

### SUBJECT

The above-referenced parcel of real property was sold at the 2014A Public Auction of Tax Defaulted Property held on October 21, 2014, by the Los Angeles County Treasurer and Tax Collector (TTC). Subsequently, an attorney for the lender on the deed of trust petitioned your Board to request that the sale be rescinded.

Pursuant to California Revenue and Taxation (R&T) Code section 3731, a hearing was conducted on June 22, 2016, before the appointed Hearing Officer.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Approve the recommendation in the attached report from the Hearing Officer to rescind the sale of AIN 4102-015-107.
2. Instruct the Executive Officer to notify the Assessor and the other parties to the sale that the sale will be rescinded and the purchase price refunded to the purchaser of the parcel.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approving the recommendation of the Hearing Officer in this matter keeps the County in compliance

with the relevant sections of the R&T Code.

### **Implementation of Strategic Plan Goals**

The recommendations are consistent with the principles of County Strategic Plan Goal No. 1 (Operational Effectiveness), by providing the petitioners seeking to rescind tax sales with an Executive Officer-appointed Hearing Officer; and Goal No. 4 (Fiscal Sustainability), by avoiding unnecessary and potentially costly legal proceedings.

### **FISCAL IMPACT/FINANCING**

The fiscal impact resulting from the approval of the Hearing Officer's recommendation will require the County to:

- 1) Return the subject parcels to the owner of record at the time of the 2014A Tax Sale.
- 2) Refund the purchaser in the amount of \$3018.30 plus interest in the amount of \$162.68, for a total refund of \$3180.98.

The interest amount is a net county cost and is calculated based on the County pool apportioned rate for the time period starting on the date of the purchase and ending on the date of the rescission recordation as specified in R&TC sections 3731(c) and 5151.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

California Revenue and Taxation Code section 3725 provides for a proceeding based on alleged invalidity or irregularity of any proceedings instituted under the chapters governing sale of tax-defaulted property.

The request referenced in this letter meets the statutory guidelines and accordingly required that the Board of Supervisors conduct, or cause to be conducted through an appointed Hearing Officer, a hearing on the matter.

The hearing having been conducted, and a recommendation from the Hearing Officer received, your Board is now required to accept or reject the recommendation.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

No impact.

The Honorable Board of Supervisors

7/19/2016

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Respectfully submitted,

A handwritten signature in cursive script that reads "Lori Glasgow". The signature is written in a dark ink and is positioned above the printed name and title.

LORI GLASGOW

Executive Officer, Board of Supervisors

LG:ch

Enclosures

c: Chief Executive Officer  
County Counsel  
Assessor  
Auditor-Controller  
Treasurer and Tax Collector



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June 29, 2016

Lori Glasgow, Executive Officer  
County of Los Angeles, Board of Supervisors  
500 W. Temple Street  
Los Angeles, CA 90012

Dear Ms. Glasgow:

**Re: HEARING FOR PETITION TO RESCIND AIN 4102-015-107**

The Treasurer and Tax Collector (TTC) has the power to sell nonresidential commercial property that has been delinquent in taxes for three or more years and residential property that has been delinquent in taxes for five or more years.

The Assessor's Identification Number (AIN) 4102-015-107 was sold at the 2014A County Public Auction on October 21, 2014. Subsequently, on December 3, 2015, Gary E. Devlin, counsel for the mortgage lender, US Bank N.A., filed a petition with the Board of Supervisors to request a rescission of the sale of AIN 4102-015-107.

Pursuant to Revenue and Taxation (R&T) Code 3731(b), on June 22, 2016, I served as Hearing Officer to hear arguments for and against rescission of AIN 4102-015-107 on behalf of the Board of Supervisors. I heard testimony from Mr. Devlin; Anwar Bautista on behalf of the purchaser; Jose Duenas, the purchaser; Sayuj Panicker, County Counsel representing TTC; and Kathy Gloster, Assistant Treasurer and Tax Collector. Also present at the hearing were Rene Gilbertson, County Counsel representing the Board of Supervisors, and Sergio Marquez, Karyna Nuñez and Keith Knox, on behalf of TTC. I reviewed documents that had previously been provided by Mr. Devlin, Mr. Duenas, and Mr. Panicker, as well as a clarifying map that was distributed during the hearing.

Mr. Devlin contends that although US Bank N.A. is shown in public record as lienholder and foreclosure trustee, it was not provided notice of the sale and therefore AIN 4102-015-107 should not have been sold at the October 21, 2014 auction. Mr. Bautista stated that the Deed of Trust (DOT) did not list AIN 4102-015-107 and lists a different AIN number, 4102-015-106. Mr. Panicker stated that US Bank N.A. secured the property on a DOT in 2006 and was named as a trustee on a DOT recorded in 2011; however, the title search did not identify US Bank N.A. and Mr. Panicker stated that no notice was mailed to US Bank N.A. as a party of interest. Ms. Gloster stated that parcel numbers are a mechanism for the Assessor to characterize and categorize a property, while the legal description is the important factor. Parcel numbers are not required to be listed; a property is determined by legal description. Ms. Gloster and Mr. Panicker stated that the legal description includes both parcels, Lot 12 (AIN 4102-015-106) which has the residence and Lot 27 (AIN 4102-015-107) which is the back yard portion.

Lori Glasgow, Executive Officer  
June 29, 2016  
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**Recommendation**

US Bank N.A. is listed on the DOT and is a party of interest and should have received prior notice of the pending tax sale. Due to this error, the notice was defective per R&T Code 3701, and, as a result, AIN 4102-015-107 should not have been sold at the 2014A County Public Auction on October 21, 2014. Therefore, I recommend the sale of AIN 4102-015-107 be rescinded.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sharon Ryzak".

Sharon Ryzak  
Hearing Officer

c: Rene Gilbertson